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**SUBSTITUTE HOUSE BILL 1165**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** House Committee on Finance (originally sponsored by Representatives Sherstad, Dickerson, Van Luven, L. Thomas and Mason; by request of Department of Revenue)

Read first time 02/06/95.

1       AN ACT Relating to technical correction of excise and property tax  
2 statutes; amending RCW 82.04.030, 82.32.145, 82.36.310, 82.48.010,  
3 84.40.185, 9.41.135, and 82.32.320; creating a new section; repealing  
4 1994 sp.s. c 7 s 445; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6       **Sec. 1.** RCW 82.04.030 and 1963 ex.s. c 28 s 1 are each amended to  
7 read as follows:

8       "Person" or "company", herein used interchangeably, means any  
9 individual, receiver, administrator, executor, assignee, trustee in  
10 bankruptcy, trust, estate, firm, copartnership, joint venture, club,  
11 company, joint stock company, business trust, municipal corporation,  
12 political subdivision of the state of Washington, corporation, limited  
13 liability company, association, society, or any group of individuals  
14 acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or  
15 otherwise and the United States or any instrumentality thereof.

16       **Sec. 2.** RCW 82.32.145 and 1987 c 245 s 1 are each amended to read  
17 as follows:

1 (1) Upon termination, dissolution, or abandonment of a corporate or  
2 limited liability company business, any officer, member, manager, or  
3 other person having control or supervision of retail sales tax funds  
4 collected and held in trust under RCW 82.08.050, or who is charged with  
5 the responsibility for the filing of returns or the payment of retail  
6 sales tax funds collected and held in trust under RCW 82.08.050, shall  
7 be personally liable for any unpaid taxes and interest and penalties on  
8 those taxes, if such officer or other person wilfully fails to pay or  
9 to cause to be paid any taxes due from the corporation pursuant to  
10 chapter 82.08 RCW. For the purposes of this section, any retail sales  
11 taxes that have been paid but not collected shall be deductible from  
12 the retail sales taxes collected but not paid.

13 For purposes of this subsection "wilfully fails to pay or to cause  
14 to be paid" means that the failure was the result of an intentional,  
15 conscious, and voluntary course of action.

16 (2) The officer, member or manager, or other person shall be liable  
17 only for taxes collected which became due during the period he or she  
18 had the control, supervision, responsibility, or duty to act for the  
19 corporation described in subsection (1) of this section, plus interest  
20 and penalties on those taxes.

21 (3) Persons liable under subsection (1) of this section are exempt  
22 from liability in situations where nonpayment of the retail sales tax  
23 funds held in trust is due to reasons beyond their control as  
24 determined by the department by rule.

25 (4) Any person having been issued a notice of assessment under this  
26 section is entitled to the appeal procedures under RCW 82.32.160,  
27 82.32.170, 82.32.180, 82.32.190, and 82.32.200.

28 (5) This section applies only in situations where the department  
29 has determined that there is no reasonable means of collecting the  
30 retail sales tax funds held in trust directly from the corporation.

31 (6) This section does not relieve the corporation or limited  
32 liability company of other tax liabilities or otherwise impair other  
33 tax collection remedies afforded by law.

34 (7) Collection authority and procedures prescribed in this chapter  
35 apply to collections under this section.

36 **Sec. 3.** RCW 82.36.310 and 1965 ex.s. c 79 s 13 are each amended to  
37 read as follows:

1 Any person claiming a refund for motor vehicle fuel used or  
2 exported as in this chapter provided shall not be entitled to receive  
3 such refund until he presents to the director a claim upon forms to be  
4 provided by the director with such information as the director shall  
5 require, which claim to be valid shall in all cases be accompanied by  
6 the original invoice or invoices issued to the claimant at the time of  
7 the purchases of the motor vehicle fuel, approved as to invoice form by  
8 the director: PROVIDED, That in the event of the loss or destruction  
9 of the original invoice or invoices, the person claiming a refund may  
10 submit in lieu thereof a duplicate copy of such invoice certified by  
11 the vendor, but no payment of refund based upon such duplicate invoice  
12 shall be made until after expiration of such statutory period specified  
13 in RCW 82.36.330 for filing of refund applications.

14 Any person claiming refund by reason of exportation of motor  
15 vehicle fuel shall in addition to the invoices required furnish to the  
16 director the export certificate therefor, and the signature on the  
17 exportation certificate shall be certified by a notary public. In all  
18 cases the claim shall be signed by the person claiming the refund,  
19 ((or)) if it is a corporation, by some proper officer ((thereof)) of  
20 the corporation, or if it is a limited liability company, by some  
21 proper manager or member of the limited liability company.

22 **Sec. 4.** RCW 82.48.010 and 1987 c 220 s 5 are each amended to read  
23 as follows:

24 For the purposes of this chapter, unless otherwise required by the  
25 context:

26 (1) "Aircraft" means any weight-carrying device or structure for  
27 navigation of the air which is designed to be supported by the air;

28 (2) "Secretary" means the secretary of transportation;

29 (3) "Person" includes a firm, partnership, limited liability  
30 company, or corporation;

31 (4) "Small multi-engine fixed wing" means any piston-driven multi-  
32 engine fixed wing aircraft with a maximum gross weight as listed by the  
33 manufacturer of less than seventy-five hundred pounds; and

34 (5) "Large multi-engine fixed wing" means any piston-driven multi-  
35 engine fixed wing aircraft with a maximum gross weight as listed by the  
36 manufacturer of seventy-five hundred pounds or more.

1       **Sec. 5.** RCW 84.40.185 and 1967 ex.s. c 149 s 41 are each amended  
2 to read as follows:

3       Every individual, corporation, limited liability company,  
4 association, partnership, trust, or estate shall list all personal  
5 property in his or its ownership, possession, or control which is  
6 subject to taxation pursuant to the provisions of this title. Such  
7 listing shall be made and delivered in accordance with the provisions  
8 of this (~~(1967 amendatory act)~~) chapter.

9       **Sec. 6.** RCW 9.41.135 and 1994 sp.s. c 7 s 418 are each amended to  
10 read as follows:

11       (1) At least once every twelve months, the department of licensing  
12 shall obtain a list of dealers licensed under 18 U.S.C. Sec. 923(a)  
13 with business premises in the state of Washington from the United  
14 States bureau of alcohol, tobacco, and firearms. The department of  
15 licensing shall verify that all dealers on the list provided by the  
16 bureau of alcohol, tobacco, and firearms are licensed and registered as  
17 required by RCW 9.41.100.

18       (2) At least once every twelve months, the department of licensing  
19 shall obtain from the department of revenue and the department of  
20 revenue shall transmit to the department of licensing a list of dealers  
21 registered with the department of revenue whose gross proceeds of sales  
22 are below (~~(the reporting threshold provided in RCW 82.04.300)~~) twelve  
23 thousand dollars per year, and a list of dealers whose names and  
24 addresses were forwarded to the department of revenue by the department  
25 of licensing under RCW 9.41.110, who failed to register with the  
26 department of revenue as required by RCW 9.41.100.

27       (3) At least once every twelve months, the department of licensing  
28 shall notify the bureau of alcohol, tobacco, and firearms of all  
29 dealers licensed under 18 U.S.C. Sec. 923(a) with business premises in  
30 the state of Washington who have not complied with the licensing or  
31 registration requirements of RCW 9.41.100, or whose gross proceeds of  
32 sales are below (~~(the reporting threshold provided in RCW 82.04.300)~~)  
33 twelve thousand dollars per year. In notifying the bureau of alcohol,  
34 tobacco, and firearms, the department of licensing shall not specify  
35 whether a particular dealer has failed to comply with licensing  
36 requirements, has failed to comply with registration requirements, or  
37 has gross proceeds of sales below the reporting threshold.

1       **Sec. 7.** RCW 82.32.320 and 1975 1st ex.s. c 278 s 92 are each  
2 amended to read as follows:

3       The department of revenue, on the next business day following the  
4 receipt of any payments hereunder, shall transmit them to the state  
5 treasurer, taking his or her receipt therefor. If a return or payment  
6 is submitted with less than the full amount of all taxes, interest, and  
7 penalties due, the department may allocate payments among applicable  
8 funds so as to minimize administrative costs to the extent practicable.

9       NEW SECTION.   **Sec. 8.** 1994 sp.s. c 7 s 445 is repealed.

10       NEW SECTION.   **Sec. 9.** The department may adopt rules necessary to  
11 implement the provisions of this act.

12       NEW SECTION.   **Sec. 10.** This act is necessary for the immediate  
13 preservation of the public peace, health, or safety, or support of the  
14 state government and its existing public institutions, and shall take  
15 effect immediately.

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